

City of Rockville

111 Maryland Avenue • Rockville, MD 20850 • 240-314-8208

Single-Family Rehabilitation Application Housing and Rehabilitation Through Low Interest Loans

Through the City of Rockville's Single-Family Rehabilitation Program, Rockville residents may apply for no or low interest, deferred loans to make necessary repairs and improvements to their homes. Eligibility is based upon gross annual household income, both taxable and non-taxable, as disclosed on applicant's most recent tax return. Typical repairs include: roof replacement; plumbing and electrical upgrades; furnace replacement; and kitchen and bathroom repairs.

Funds for this program are provided by the Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program and administered through the City's Department of Community Planning and Development Services.

If your household meets the program's income requirements, home repairs and improvements will be made to your home **at no cost to you** as long as you continue living in the home. Once home repairs and improvements are made to your home, a lien is placed against the property in the amount of the assistance expended. If your home is sold, refinanced, rented or ownership is transferred within five years after the completion of the work, you will be required to pay back a percentage of the contract price paid for you by the City. The lien amount is reduced by 20% per year for five years until it is completely forgiven.

Income limits are shown in the table below, followed by some frequently asked questions and answers about the program. The income limits are effective as of December 2013.

FAMILY SIZE	MAXIMUM INCOME FOR 100% CITY CONTRIBUTION	MAXIMUM INCOME FOR 25% CITY CONTRIBUTION
1	\$ 37,450	\$ 47,950
2	\$ 42,800	\$ 54,800
3	\$ 48,150	\$ 61,650
4	\$ 53,500	\$ 68,500
5	\$ 57,800	\$ 74,000
6	\$ 62,100	\$ 79,500
7	\$ 66,350	\$ 84,950
8	\$ 70,650	\$ 90,450

The percentage the City contributes to each project is based on the applicant's household income. The City funds 100 percent of the project for households below the lower income threshold and contributes 25 or 32 percent of a project for households with higher incomes.

Who determines what repairs need to be made?

The City's rehabilitation staff will provide technical assistance in assessing your home, with cost estimating and developing work specifications, and in securing bids from qualified contractors. This program is intended to correct code deficiencies, not make property improvements. Additionally, if the dwelling was built before 1978, all surfaces, both interior and exterior, must be tested for lead-based paint. If lead-based paint is found to be in a deteriorated condition, it must be addressed before any other work is undertaken. The Rehabilitation Specialist will prioritize code deficiencies to address the most serious problems up to a grant limit of \$25,000 per household.

Homeowners are not permitted to do their own work under this program. The City maintains a list of qualified contractors who are asked to submit bids on the repairs to be made. The City is required to select the lowest, responsive, responsible bidder for each project. The Rehabilitation Specialist works with the homeowner to select the contractor.

If I don't qualify for the 100% City contribution, how can I pay for the rest of the project?

Rather than loan money to property owners at reduced interest rates for higher income households, the City pays a percentage contribution toward the contract price up to \$25,000 for the home improvement work. You then secure a loan from a lender for the balance of the contract amount. In effect, you borrow less principal at a higher interest rate, with the same pay-back as the entire contract price borrowed at a reduced rate. Only if you sell, refinance, rent or transfer the property within five years from the completion of the work, will you be required to pay back a percentage of the City's contribution to the contract price.

How can I get more information or apply for the program?

For additional information contact Martin Dasler, Rehabilitation Specialist, at 240-314-8208 or mdasler@rockvillemd.gov
To apply for the program, apply online or complete the application below and return it to the City.

Single-Family Rehabilitation Application

Please fill out the information below and return it to: City of Rockville
Community Planning and Development
Attn: Martin Dasler, Rehabilitation Specialist
111 Maryland Avenue
Rockville, MD 20850

You can mail the form, fax the form to 240-314-8210, or scan and e-mail the form to Martin Dasler at mdasler@rockvillemd.gov.

Date: _____ Family Size: _____

Check one based on maximum household incomes provided on pg. 1:

My household qualifies for 100% city contribution _____ My household qualifies 25% City contribution _____

Name: _____

Address: _____

Home phone: _____ Work phone: _____ e-mail: _____

List your major repair or improvement needs - please be as specific as possible:

How did you learn about the program? _____